SUBJECT: Transfer Fees for Ineligible Applicants

TO: State Directors

Rural Development

FROM: GARY J. MORGAN (Signed by Gary HJ. Morgan)

Acting Assistant Administrator Water and Environmental Programs

Rural Utilities Service

JAMES C. ALSOP (Signed by James C. Alsop)

Acting Administrator Rural Housing Service

WILLIAM F. HAGY III (Signed by William F. Hagy III)

Deputy Administrator, Business Programs Rural Business-Cooperative Service

<u>PURPOSE/INTENDED OUTCOME</u>: Transfer fees are to be collected to offset anticipated fiscal year 2002 administrative costs. A \$1,726 fee will be collected when a loan is transferred to an ineligible applicant under the following programs:

- Water and Waste Disposal
- Community Facilities
- Recreation
- Business and Industry Direct
- Resource Conservation and Development
- Watershed and Flood Prevention

**COMPARISON WITH PREVIOUS AN**: This replaces RD AN No. 3613(1951-E) dated February 7, 2001.

**IMPLEMENTATION RESPONSIBILITIES**: State Directors are responsible for collecting a fee of \$1,726 when processing a transfer to an ineligible applicant in accordance with RD Instruction 1951-E, section 1951.230(d).

EXPIRATION DATE: FILING INSTRUCTIONS

February 28, 2003 Preceding RD Instruction 1951-E